

RESOLUTION NO. 79-149

RESOLUTION APPROVING SECURITY  
AGREEMENT WITH THE ENVIRON-  
MENTAL PROTECTION AGENCY FOR  
LAND PURCHASED WITH GRANT  
FUNDS

RESOLVED, that the City Council of the City of Lodi  
does hereby approve Security Agreement as Required by  
Title 40, Section 30.810-4 of United States Code Annotated  
a copy of which Agreement is attached hereto, identified as  
Exhibit "A", and thereby made a part hereof.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that  
the City Council of the City of Lodi does hereby Authorize the  
City Manager and the City Clerk to execute the Subject Agree-  
ment on behalf of the City.

Dated: September 19, 1979

I hereby certify that Resolution No. 79-149 was passed  
and adopted by the City Council of the City of Lodi in a  
regular meeting held September 19, 1979 by the following  
vote:

Ayes: Councilmen - Hughes, Katnich and Katzakian

Noes: Councilmen - McCarty and Pinkerton

Absent: Councilmen - None

  
ALICE M. REIMCHE  
City Clerk

SECURITY AGREEMENT AS REQUIRED BY TITLE 40,  
SECTION 30.810-4 OF UNITED STATES CODE ANNOTATED

This Agreement is made between the City of Lodi, a municipal corporation, 221 West Pine Street, Lodi, California (hereinafter known as "City"), and the Environmental Protection Agency, a Federal governmental agency, 801 I Street, Room 466, Sacramento, California (hereinafter known as "EPA").

WHEREAS, City is indebted to EPA as a result of EPA's advancing through the Clean Water Grant Program, \$178,000 used to pay part of the purchase of property hereinafter described;

WHEREAS, Title 40, Section 30.810-4 USCA requires the City adequately reflect and protect EPA's interest in the property in compliance with all recordation or registration requirements of the laws of the State of California.

NOW, THEREFORE, City grants to EPA as security interest in the property hereinafter described called "Collateral". The Collateral is security for performance of City's obligation under this Agreement and the Grant Agreement between EPA and City dated December 31, 1977.

City warrants, covenants and agrees with EPA that:

1. WARRANTIES - (A) All statements contained in the City's Grant application are true and correct; (B) Proceeds from the Grant were used for the purposes agreed upon; (C) City is the owner of the Collateral free and clear of any lien, encumbrance or security interest; and (D) City will defend the Collateral against any claim or demand adverse to EPA's interest.
2. INSPECTION - EPA shall have the right to inspect the Collateral at any time.
3. USE OF PROPERTY IN OTHER PROJECTS - The City shall obtain approval from EPA for the use of the Collateral in other projects when the City determines that the property is no longer needed for the original Grant purpose. Use in other projects shall be limited to those under other Government Grant programs, or programs that have purposes consistent with those authorized for support by EPA.
4. REAL PROPERTY NO LONGER NEEDED FOR GRANT PURPOSES - When the real property is no longer needed for the grant purposes or for other projects, City shall request disposition instructions from EPA.
5. DISPOSITION INSTRUCTIONS - The EPA shall observe the following rules in disposition instructions for the real property hereinafter described:
  - (1) In the case of the real property purchased in part with EPA funds, City, at the direction of the Project Officer, may:
    - (i) Retain title with Federal restrictions removed if it compensates the Federal Government an amount computed by applying the Federal percentage of participation in the net cost of the project to the current fair market value of the property, or

- (ii) Sell the property under guidelines provided by EPA and pay the Federal Government an amount computed by applying the Federal percentage of participation in the net cost of the project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds), or
- (iii) Transfer title of the property to the Federal Government with its consent provided that in such cases the City shall be entitled to compensation computed by applying the City's percentage of participation in the net cost of the project to the current fair market value of the property.

## DESCRIPTION OF COLLATERAL

The following is a description of the parcel acquired partially with Grant funds under the Clean Water Grant Program in the amount of \$178,000 received from EPA by City, to wit:

PARCEL 1: A portion of the North half on Sections 25 and 26, Township 3 North, Range 5 East, Mount Diablo Base and Meridian, being more particularly described as follows:

Beginning at a point on the northerly line of said Section 25; distant along said line North 89° 22' 52" West, 3,407.31 feet from the Northeast corner of said Section 25, said point being also the northwesterly corner of that parcel of land deeded to the State of California and recorded November 5, 1970 in Book 3455, page 428, San Joaquin County Records; thence along the westerly line of said parcel the following four courses: (1) South 19° 12' 32" East, 122.94 feet; (2) South 15° 29' 46" East, 364.22 feet; (3) South 13° 21' 29" East, 2,226.73 feet; (4) South 13° 02' 23" East, 29.34 feet to a point in the South line of the North half of said Section 25; thence Westerly, along the South line of the North half of said Sections 25 and 26 to the southeasterly corner of that parcel of land described as Unit B in deed to the State of California and recorded December 14, 1970 in Book 3467, page 349, San Joaquin County Records; thence North 22° 22' 16" West, along the easterly line of said parcel, 2,890.74 feet to a point in the North line of said Section 26; thence Easterly, along the North line of Section 26 and Section 25 to the point of beginning.

Containing 234.7 acres, more or less.

ENVIRONMENTAL PROTECTION  
AGENCY, a Federal governmental  
agency

CITY OF LODI,  
a municipal corporation

By

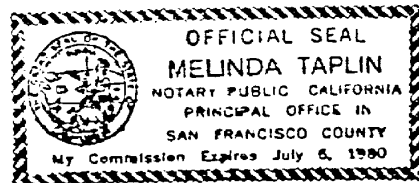
FRANK M. COVINGTON

Date

By

Date

On this 17th day of August, in the year 1979, before me, Melinda Taplin, personally appeared Frank M. Covington, known to me to be the Director, Water Division of the U.S. Environmental Protection Agency, Region IX, and known to me to be the person who executed the within instrument on behalf of said agency and acknowledged to me that such agency executed the same.



*Melinda Taplin*  
*17 August, 1979*